

Assistant Director for Operations

7 April 1948

Chief, FBIB

Report of Allegedly Revived "OSS" Activities in Europe, and of CIA "Consideration" of Arming American-Sponsored European Undergrounds; Donovan and Hillenkoetter Mentioned by Name.

Relative to Moscow and Soviet-controlled radio charges of an American-sponsored "spy group" in Germany, the following dispatch by TELEPRESS, a left-wing news agency organized in Great Britain, is pertinent.

"Geneva, 6 April 1948—"Protocol M," the anti-working class fabrication launched in Germany on January 15 alleging a "Communist plot" in the western zones, will be child's practice compared with what is being laid on now against the eastern Reds," said one American traveller here. He is one of many agents returning to the war headquarters of the "Office of Strategic Services (OSS)" now being re-mobilized in Switzerland. ...

"Actual Washington directed underground campaign against social progress and democracy has started already in many European countries. OSS agents in Switzerland have nothing secret about them. They seem to have instructions to boast as noisily as they can, particularly in the presence of people likely to be intimidated, and to spread fear in democratic organizations and countries. Agents equipped with ample dollar funds set up what they call a peace-time office of the OSS to wage war against Communism in other countries.

"Intimidation of democrats and encouragement of reactionaries and fascists--this briefly is the strategic idea of U.S. intervention... at present. Their present tactics are illustrated by a number of instances. The Russian traitor, Kravchenko, who deserted a diplomatic post to become an agent of the imperialist secret services, has been ordered to sue the progressive French weekly ACTION for libel in a Paris court. The ACTION editor who printed the story on Kravchenko's treason will have to defend himself not only against the allegation of Kravchenko himself, but also against William Donovan, head of OSS, who will figure as a 'witness.' Another instance is the American-sponsored Congress of International Transport Workers Federation (AIT) in Luxembourg where numbers of Trotskyite and rightists assembled to approve the Marshall Plan, but also took the opportunity to utter the rather childish threat to set up an 'underground trade union' behind the 'iron curtain.'

"While the intimidation tactic of silencing progressive opinion as much as possible and sowing fear and distrust by painting the picture of American aggressiveness still blacker than a realistic estimate of the balance of power and war forces

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- 2 -

permits, encouragement of remnants of reaction and fascism is another part of the interventionist tactic. The systematic spreading of 'news' by American agents of millions of dollars allocated to the 'anti-Communist underground,' of arms held in readiness for fascist and neo-fascist plotters, of 'exile governments' forming in western countries—this, OSS believes, stiffens the morale of anti-popular cliques in democratic countries.

"There are doubts in informed circles that actual delivery of arms to the fascist underground has taken place already—except in one instance, Czechoslovakia, where arms and ammunition were dispatched from France just before the February government crisis.

"The question of actual arming of the American-sponsored underground is still under consideration by the U.S. Central Intelligence Headquarters and its chief Millenkeetter."

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